

17-mc-11 PAM | DTS

02-20-2017

# Plaintiff's Exhibit 1

**RECEIVED**

FEB 21 2017

CLERK, U.S. DISTRICT COURT  
ST. PAUL, MINNESOTA

## Unsigned assessment for 2007

**SCANNED**

FEB 21 2017

U.S. DISTRICT COURT ST. PAUL



PRIVACY, GOVERNMENTAL  
LIAISON AND DISCLOSURE

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

January 30, 2013

Daniel Berglund  
6758 Pine Arbor Blvd S  
Cottage Grove, MN 55016

Dear Berglund:

I am responding to your Freedom of Information Act (FOIA) requests both dated December 6, 2012 that we received on December 12, 2012.

You asked for a copy of various documents pertaining to you for tax year 2007. Of the 29 pages located responsive to your requests I am enclosing all 29 pages.

Form 23C and Revenue Accounting Control System (RACS) 006 are both valid Summary Records of Assessment (SRA). The SRA is a summary total of all the tax, interest, and penalty assessments by tax class made at an IRS campus on a specific day or week. The amounts assessed to a specific taxpayer are included as part of the total figures for that day or week. However, the SRA does not separately list the name, identifying number, or amounts assessed for a particular taxpayer. Form 23C and RACS 006 differ only in that Form 23C is manually created, while RACS 006 (which replaced Form 23C) is computer-generated. The IRS manually prepares Form 23C only when the automated RACS 006 is unavailable, such as during a power outage. Although Forms 23C and RACS 006 do not on their face reflect a particular taxpayer's assessment, account transcripts do provide this information. The account transcript enclosed for tax year 2007 meets all statutory requirements of Internal Revenue Code Section 6203 and applicable regulations.

A Notice of Assessment and Demand is a computer generated notice. The IRS does not routinely maintain copies of these notices. If the IRS sent a Notice and Demand, it would show in the Notice History Section on the enclosed transcript.

2

If you have any questions please call Disclosure Specialist Alan Dichter, ID # 1000261116, at (212) 719-6949 or write to: Internal Revenue Service, Disclosure Scanning Operation – Stop 93A, PO Box 621506, Atlanta, GA 30362. Please refer to case numbers F13348-0032 and F13348-0033.

Sincerely,

A handwritten signature in black ink that reads "Alan Dichter". The signature is written in a cursive style with a large, stylized "A" and "D".

Alan Dichter  
Disclosure Specialist  
Disclosure Office 2

Enclosures  
Responsive records  
Notice 393

## Information on an IRS Determination to Withhold Records Exempt From The Freedom of Information Act – 5 U.S.C. 552

### Appeal Rights

You may file an appeal with the Internal Revenue Service (IRS) within 35 days after we (1) deny you access to a record in whole or in part; (2) have made an adverse determination as to your category as a requester; (3) deny your request for a fee waiver or reduction; or (4) have advised you that no records responsive to your request exist. You may file an appeal within 10 days when a request for expedited processing has been denied.

Your appeal **must** be in writing, must be signed by you, and must contain:

Your name and address,  
Description of the requested records,  
Date of the request (and a copy, if possible),  
Identity of the office and contact on the response letter, and  
Date of the letter denying the request (and a copy, if possible)

Mail your appeal to: **IRS Appeals**  
Attention: FOIA Appeals  
M/Stop 55202  
5045 E. Butler Ave.  
Fresno, California 93727-5136

### Judicial Review

If we deny your appeal, or do not address an issue raised in your appeal within 20 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal, you may file a complaint in United States District Court in the district in which (1) you reside; (2) your principal place of business is located; (3) the records are located; or (4) the District of Columbia. A complaint may be filed within 10 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal if your appeal is from an adverse determination of a request for expedited processing. If you choose to file suit before receipt of a final determination by the Appeals office, the administrative appeals process may cease.

The rule for effecting service of judicial process upon the Internal Revenue Service is set forth in Federal Rule of Civil Procedure 4(i). In addition to service upon the United States, as set forth in Rule 4(i)(1), service must be made upon the Internal Revenue Service by registered or certified mail as set forth in Rule 4(i)(2)(A).

The address of the Internal Revenue Service is: Internal Revenue Service, Attention CC:PA, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

### Exemptions

The Freedom of Information Act, 5 U.S.C. 552, does not apply to matters that are:

- (b)(1) • specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified under such executive order,
- (b)(2) • related solely to the internal personnel rules and practices of an agency,
- (b)(3) • specifically exempted from disclosure by statute (other than section 552b of this title), provided that the statute:

(A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or

(B) establishes particular criteria for withholding or refers to particular types of matters to be withheld.

**Note:** Internal Revenue Code sections 6103 and 6105 are statutes which qualify for exemption 3 treatment. Section 6103 protects the confidentiality of tax returns and information pertaining to a taxpayer collected by the IRS. Section 6105 protects information obtained from a foreign country under a tax treaty.

- (b)(4) • trade secrets and commercial or financial information obtained from a person and privileged or confidential,
- (b)(5) • inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency,
- (b)(6) • personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy,
- (b)(7) • records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information:
  - (A) could reasonably be expected to interfere with enforcement proceedings,
  - (B) would deprive a person of a right to a fair trial or an impartial adjudication,
  - (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy,
  - (D) could reasonably be expected to disclose the identity of a confidential source, including a State, local or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of a record or information compiled by a criminal law enforcement authority in the course of a criminal investigation or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source,
  - (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or
  - (F) could reasonably be expected to endanger the life or physical safety of any individual.
- (b)(8) • contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions, or
- (b)(9) • geological and geophysical information and data, including maps, concerning wells

: NO-0001

IRS EMPLOYEE 7937520282

: REQUESTED 01-08-2013

PRINT DATE 01-08-2013

: NUMBER: 1040A

TAX PERIOD: DEC 2007

TAXPAYER IDENTIFICATION NUMBER: 471-70-6722

DANIEL L BERGLUND  
6758 PINE ARBOR BLVD  
COTTAGE GROVE

MN 55016-4570-584

BODC-WI BODCLC-

ANY MINUS BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE:	3,061,230.11	
ACCRUED INTEREST:	74,671.36	AS OF 01-14-2013
ACCRUED PENALTY:	17,697.18	AS OF 01-14-2013

ACCOUNT BALANCE	
PLUS ACCRUALS:	3,153,598.65

EXEMPTIONS: 02	**FILING STATUS: MARRIED	FILING SEPARATE
ADJUSTED GROSS INCOME:	5,102,526.00	
TAXABLE INCOME:	5,096,043.00	
TAX PER RETURN:	0.00	

PER RETURN OR AS ADJUSTED

4-2011 RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER)
4-2011 PROCESSING DATE

## TRANSACTIONS

MONEY AMOUNT  
(IF APPLICABLE)

EXPLANATION	DATE	MONEY AMOUNT
3 NO RETURN FILED SUBSTITUTE FOR RETURN	02-14-2011	0.00
19210-888-00000-1		
0 ESTIMATED TAX PENALTY	03-26-2012	80,544.73
20121105		
0 LATE FILING PENALTY	03-26-2012	398,186.55
20121105		
0 ADDITIONAL TAX ASSESSED BY EXAMINATION	03-26-2012	1769,718.00
17247-461-30050-2 20121105		
6 INTEREST ASSESSED	03-26-2012	387,956.51
20121105		
6 FAILURE TO PAY TAX PENALTY	03-26-2012	424,732.32
20121105		
2 FEDERAL TAX LIEN	11-30-2012	
0 FEES AND COLLECTION COSTS	12-24-2012	92.00
1 INTENT TO LEVY COLLECTION DUE PROCESS NOTICE	11-29-2012	
LEVY NOTICE ISSUED		
1 INTENT TO LEVY COLLECTION DUE PROCESS NOTICE	11-29-2012	
COLL DUE PROCESS NOTICE REFUSED/UNCLAIMED		

082

E NO-0001

\*IMF MCC TRANSCRIPT-SPECIFIC\*

EMP NO 79-375-20282

COUNT NO 471-70-6722

01-08-2013

CYCLE-20125305

ME CONT- BERG

\*\*\*\*\*

-7937520282 BY-7937520282 ON-01082013 TYP-S-30-200712

E-12:49 SRC-I

PROCESSED ON-008

REQUESTED TAX MODULE FOUND ON MF

2 3 DANIEL L BERGLUND  
6758 PINE ARBOR BLVD  
1605 COTTAGE GROVE

MN 55016-4570-584

BODC-WI BODCLC-

41 AO-13 CLC- SBAO-  
R REMOVED- ENT EXT CYC-201253

PRIOR NAME CONTROL-

FZ&gt;

CAF-

MFR-01 VAL-1 IRA-

FYM-12 SCS- CRINV- 130-

RPTR-4 PMF- SHEL- BNKRPT- BLIC-

ACCRETION- FMS-0 PDC-00 MIN SE-

JUST- IRS EMPL- FED EMPL- LII-0

ID THEFT 50X CD-

ID THEFT 52X CD-

9 3 DANIEL BERGLUND  
JL DANIEL L BERGLUND

471-62-9755

TRET-1997 ME- CND-B FLC-00 199835

\*\*\*\*\*

TAX PERIOD 30 200712 \*

REASON CD-

MOD EXT CYC-201253

\*\*\*\*\*

-3 TFRP- CRINV- LIEN-4

19210-888-00000-1

CAF- FZ&gt;T

A COPYS-9406

TDI COPYS-

INT TOLERANCE- MATH INCREASE-

HISTORICAL DO-41 BWNC-

BWI-

MOD BAL- 3,061,230.11

RUED INTEREST- 74,671.36 01142013

CSED-03262022

RUED PENALTY- 17,697.18 01142013

RSED-04152011

3-11A CD-0

ARDI-0

ASED-00000000

R 150 02142011

0.00 05 201105

19210-888-00000-1 CD-

SRC-0

F RCVD DT-01242011

PREPARE IND-0 PREPARE TIN-

TAX PER T/P-

0.00

F/C-

AGI- 5,102,526.00

FOREIGN-

FARM- MF P-

XRF-

AEIC-

0.00

NAI-

EXMPT-02 NRGY-

0.00

LTEX-

TAXABLE INC- 5,096,043.00

PENALTY SUPP-1000

SET-

0.00

MDP-

TOTAL WAGES-

0.00

MDP-

TOTAL INC TX-

0.00

EST TAX BASE-

0.00

PR YR BASE-

0.00

SHORT YR CD-

ES FORGIVENESS %- 0

USVI-0

\*\*\*\*\*CONTINUED ON NEXT PAGE\*\*\*\*\*

183

: NO-0002 TAX PERIOD 30 200712\*CONTINUED

\*IMF MCC TRANSCRIPT-SPECIFIC\*

EMP NO 79-375-20282

OUNT NO 471-70-6722

01-08-2013

IE CONT- BERG

CYCLE-20125305

\*\*\*\*\*

1ST SE- 0.00

2ND SE- 0.00

ACCT TYPE-

EFT-0

F8615- UNAPPLD CR ELECT-

ES TAX PAYMENT- 0.00

DIR DEP REJ RSN CD-00

PUTI- 0 SUTI- 0

PMEI- 0 SMEI- 0

PMTI- 0 SMTI- 0

140 12012008

0.00

20085008 17249-336-00000-8  
PRC-

971 12222008-----

20085008 17277-336-00000-8

XREF- 971 CD-804

X-MFT-00 MEMO- FTD ALRT-0

595 05122009-----

20092008 17249-532-00183-9

COLCLOS-57 XREF-

592 07052010-----

20102508 17249-532-00183-9

COLCLOS- XREF-

595 07162010-----

20103008 17249-597-00254-0

COLCLOS-57 XREF-

425 01242011-----

20110508 19277-024-20000-1

SOURCE-25 ORG-5065 PROJ-277 RET REQ-0

PTR DO-295

570 02142011-----

20110508 19210-888-00000-1

COLCLOS-39 CYCLES-04

420 02032011-----

20110608 17277-034-00000-1

AIMS SC-25 PBC-296 SBC-00000 EGC-5065

170 03262012

80,544.73

20121105 17247-461-30050-2

PRC- EST PNLT WAIVED-

CSED-03262022

0.00

160 03262012

398,186.55

20121105 17247-461-30050-2

PRC-

300 03262012

1,769,718.00

20121105 17247-461-30050-2

\*\*\*\*\*CONTINUED ON NEXT PAGE\*\*\*\*\*



84

NO-0003 TAX PERIOD 30 200712\*CONTINUED

\*IMF MCC TRANSCRIPT-SPECIFIC\*

EMP NO 79-375-20282

OUNT NO 471-70-6722  
IE CONT- BERG01-08-2013  
CYCLE-20125305

\*\*\*\*\*

HC DC10 870D

ASED03192015

PC9 AO

CLAIM REJECT DT-  
ABSTRACT-888  
ABSTRACT-886  
ABSTRACT-887  
CSED-03262022

:2: ,=&lt;0,0&lt;2.&lt;:

?: ,:&lt;0,0&lt;2.&lt;:

&lt;0,0&lt;2.&lt;:

421 03262012----- 20121105 17247-461-30050-2  
DISP CD- SOURCE-336 03262012 387,956.51 20121105 19210-888-00000-1  
REFERENCE AMT-276 03262012 424,732.32 20121105 19210-888-00000-1  
PRC-971 03262012----- 20121105 19277-888-00000-1  
XREF- 971 CD-804  
X-MFT-00 MEMO- FTD ALRT-0971 05212012----- 20121905 19277-999-99999-2  
XREF- 971 CD-262  
X-MFT-00 MEMO- FTD ALRT-0971 06232012----- 20122705 59277-577-09068-2  
XREF- 971 CD-611  
X-MFT-00 MEMO- FTD ALRT-0971 11262012----- 20124705 28277-001-99999-2  
XREF- 971 CD-060  
X-MFT-00 MEMO- FTD ALRT-0971 11262012----- 20124705 41277-314-99999-2  
XREF- 971 CD-600  
X-MFT-00 MEMO- FTD ALRT-0971 11272012----- 20124905 35277-733-01109-2  
XREF- 971 CD-252  
X-MFT-00 MEMO- FTD ALRT-0582 11302012----- 20125005 17277-739-07520-2  
REGULAR LIEN670 11152012 0.00 20125005 29218-740-04707-2  
PRC-  
DESG PAY CD-99

\*\*\*\*\*CONTINUED ON NEXT PAGE\*\*\*\*\*

85

NO-0004 TAX PERIOD 30 200712\*CONTINUED

\*IMF MCC TRANSCRIPT-SPECIFIC\*

EMP NO 79-375-20282

OUNT NO 471-70-6722

01-08-2013

E CONT- BERG

CYCLE-20125305

\*\*\*\*\*

360 12242012 92.00 20125005 29218-740-04707-2  
PRC-

971 11292012----- 20125005 17277-738-04152-2  
XREF- 971 CD-069  
X-MFT-00 MEMO- FTD ALRT-0

971 11292012----- 20125005 17277-738-04153-2  
XREF- 971 CD-067  
X-MFT-00 MEMO- FTD ALRT-0

971 12142012----- 20125205 28277-754-04564-2  
XREF- 971 CD-275  
X-MFT-00 MEMO- FTD ALRT-0

971 12142012----- 20125205 28277-754-04565-2  
XREF- 971 CD-630  
X-MFT-00 MEMO- FTD ALRT-0

972 01072013----- 20125305 28277-001-99999-2  
XREF- 971 CD-060  
X-MFT-00 MEMO- FTD ALRT-0

STAT-02	12012008	NOTICE AO-13	200850
STAT-02	12222008 1	NOTICE AO-13	200850
STAT-03	02162009 8	NOTICE AO-13	200905
STAT-03	03022009 5	NOTICE AO-24	200907
STAT-06	05122009	0.00	200920
STAT-02	07052010	NOTICE AO-13	201025
STAT-03	07052010 8	NOTICE AO-13	201025
STAT-03	07192010 5	NOTICE AO-24	201027
STAT-06	07162010	0.00	201030
STAT-21	03262012	3,061,138.11	201211
STAT-20	04302012	3,061,138.11	201216
STAT-56	06042012	3,061,138.11	201221
STAT-48	08062012	0.00	201230
STAT-58	07092012	3,061,138.11	201226
STAT-24	11192012	3,061,138.11	201245
STAT-26	11262012	3,061,138.11	201246

TXMODA471-70-6722 MFT>30 TX-PRD>200712 PLN-NUM> NM-CTRL>BERG  
 19210-888-00000-1<DLN BOD-CD>WI  
 MF-XTRCT-CYC>20130405 SC-REASON-CD>33  
 SC-ST>72 MOD-BAL> 3,061,230.11 CYC>201304  
 MF-ST>26 MOD-BAL> 3,061,230.11 CYC>20124605 TODAYS-DT>01/30/2013  
 LAST-NOTICE>DAR ARDI-CD>3 PRIMARY-LOC>4113  
 CL-LOC>24 PDC-IND>00  
 AIMS-CD>1 CL-ASGMT>00000000  
 FMS-CD>1 LIEN>4 MOD-YLD-SCR>0099999  
 TDI-CYC>201246  
 ASED> FRZ>T -W  
 CSED> INTL>  
 RSED>04152011

IRA-CD>1  
 CS-CTRL-INFO>ALL CS CTRL CLSD CLSD-CTRL-CYC>201252 LST-CS-CTRL-ACTY>12192012  
 POSTED RETURN INFORMATION-----  
 RET-RCVD-DT>01242011 MO-DELQ>05  
 FS>3 NUM-EXEMPT>02  
 AGI> 5,102,526.00  
 TXI> 5,096,043.00

-----RETURN TRANSACTION-----  

T/C	POSTED	TRANS-AMOUNT	CYC	T	DLN
150	02142011	0.00	20110508		19210-888-00000-1 SFR

Employee #7937520282 Page 001 of 006 PAGE 002

TXMODA471-70-6722 MFT>30 TX-PRD>200712 PLN-NUM> NM-CTRL>BERG  
 -----POSTED TRANSACTIONS SECTION-----  

T/C	POSTED	TRANS-AMOUNT	CYC-DAY	T	DLN
140	12012008	0.00	20085008		17249-336-00000-8
971	12222008	0.00	20085008		17277-336-00000-8 971-CD>804
MISC>CP 0059					
595	05122009	0.00	20092008		17249-532-00183-9 CLS-CD>057
592	07052010	0.00	20102508		17249-532-00183-9
595	07162010	0.00	20103008		17249-597-00254-0 CLS-CD>057
424R	01242011	0.00	20110508		19277-024-20000-1 SOURCE-CD>25
SPCL-PROJ>0277					
PBC>295 SBC>00000 EGC>5065 PUSH-CD>036					
570	02142011	0.00	20110508		19210-888-00000-1
420	02032011	0.00	20110608		17277-034-00000-1
PBC>296 SBC>00000 EGC>5065					
170	03262012	80,544.73	20121105		17247-461-30050-2
160	03262012	398,186.55	20121105		17247-461-30050-2
300	03262012	1,769,718.00	20121105		17247-461-30050-2
PRT-CD>9					
DISP-CD>10 ASED> 03192015					
TECH-CD>6					
ABST-AMT					
ABST-AMT					
ABST-AMT					
ABST-AMT					
888 5,102,526.00 886 5,096,043.00					

Employee #7937520282 Page 002 of 006 PAGE 003

TXMODA471-70-6722 MFT>30 TX-PRD>200712 PLN-NUM> NM-CTRL>BERG  
 887 0.01  
 421 03262012 0.00 20121105 17247-461-30050-2  
 336 03262012 387,956.51 20121105 19210-888-00000-1  
 276 03262012 424,732.32 20121105 19210-888-00000-1  
 971 03262012 0.00 20121105 19277-888-00000-1 971-CD>804  
 MISC>CP 0022  
 971 05212012 0.00 20121905 19277-999-99999-2 971-CD>262  
 971 06232012 0.00 20122705 59277-577-09068-2 971-CD>611  
 971R 11262012 0.00 20124705 28277-001-99999-2 971-CD>060  
 971 11262012 0.00 20124705 41277-314-99999-2 971-CD>600  
 971 11272012 0.00 20124905 35277-733-01109-2 971-CD>252  
 582 11302012 0.00 20125005 17277-739-07520-2  
 REGULAR LIEN  
 670 11152012 0.00 20125005 29218-740-04707-2  
 DESG-PYMT-CD>99  
 360 12242012 92.00 20125005 29218-740-04707-2  
 DESG-PYMT-CD>99  
 971 11292012 0.00 20125005 17277-738-04152-2 971-CD>069  
 971 11292012 0.00 20125005 17277-738-04153-2 971-CD>067  
 971 12142012 0.00 20125205 28277-754-04564-2 971-CD>275  
 971 12142012 0.00 20125205 28277-754-04565-2 971-CD>630  
 972 01072013 0.00 20125305 28277-001-99999-2 971-CD>060

Employee #7937520282 Page 003 of 006 PAGE 004

TXMODA471-70-6722 MFT>30 TX-PRD>200712 PLN-NUM> NM-CTRL>BERG  
 520 12142012 0.00 20130405 18277-407-05106-3 COLL-CLS-CD>76  
 CSED-EXT-IND>P

-----NOTICE HISTORY SECTION-----  

NOTICE	AMOUNT	CYC	S	AO	
CP022	3,061,138.11	20121105	M	13	SUPPRESS-CD>0
DAS	3,061,138.11	20121105	M	13	
CP501	3,078,780.87	201216	I	13	SUPPRESS-CD>0
CP503	3,096,448.93	201221	I	13	SUPPRESS-CD>0
CP504	3,105,293.73	201226	I	13	SUPPRESS-CD>0
DAS	3,139,136.34	201245	I	13	SCND-TDA-SEL>I
DAR	3,140,927.77	201246	I	24	SCND-TDA-SEL>I

-----CONTROL BASE AND HISTORY INFORMATION-----  

C#	STATUS	ACT-DT	ACTION-EMP	ACTIVITY	RCVD-DT	ASSIGN-TO	CAT	ORG	F	S
01	A	08192011	0260943580	MANDRV	01242011	0260968524	TPRQ			G
	C	08242011	0260968524	MANDREV	01242011	0260968524	TPRQ			G
02	A	07202012	0309960045	CISYHZ2417	07202012	0339300000	TPRQ			G
	A	10012012	0309960028	ACTV	07202012	0342744065	TPRQ			G
	A	10042012	0309960047	REASSIGN	07202012	0342757689	TPRQ			G
	A	10152012	0309960245	MGRAPPROVE	07202012	0342757689	TPRQ			G
	C	10162012	0309960158	81MSC	07202012	0342757689	MISC			G
03	C	12192012	0577207555	INPTCDP	12192012	0577207555	SPC3			G
H		07202012	0309960019	CISCASE						G

Employee #7937520282 Page 004 of 006 PAGE 005

TXMODA471-70-6722 MFT>30 TX-PRD>200712 PLN-NUM> NM-CTRL>BERG  
 H 07202012 0309960205 STAUP2215 C  
 H 11022012 0465470781 STAUP2209 C  
 H 11022012 0465470781 STAUP2200 C

-----SERVICE CENTER HISTORY SECTION-----  
 SC-STS DATE STATUS-AMOUNT CYC  
 21 03262012 3,061,138.11 20121105  
 20 04302012 3,061,138.11 201216  
 56 06042012 3,061,138.11 201221  
 58 07092012 3,061,138.11 201226  
 48 08062012 NXT>505 201230 MIN-NUM-DELAY>09 BALANCE-CYC-DELAY>6  
 48 11192012 NXT>505 201245 MIN-NUM-DELAY>09  
 50 11192012 NXT>505 201245 MIN-NUM-DELAY>00  
 24 11192012 3,061,138.11 201245  
 26 11262012 3,061,138.11 201246  
 72 02112013 3,061,230.11 201304

-----MASTER FILE HISTORY SECTION-----  
 MF-STS DATE STATUS-AMOUNT CYC CCNIP-SELECT-CD  
 02 12012008 IND> NTC-AO>13 20085008 32  
 02 12222008 IND>1 NTC-AO>13 20085008 32  
 03 02162009 IND>8 NTC-AO>13 20090508 32  
 03 03022009 IND>5 NTC-AO>24 20090708 32  
 06 05122009 0.00 20092008

Employee #7937520282 Page 005 of 006 PAGE 006

TXMODA471-70-6722 MFT>30 TX-PRD>200712 PLN-NUM> NM-CTRL>BERG  
 02 07052010 IND> NTC-AO>13 20102508 32  
 03 07052010 IND>8 NTC-AO>13 20102508 77  
 03 07192010 IND>5 NTC-AO>24 20102708 77  
 06 07162010 0.00 20103008  
 21 03262012 3,061,138.11 20121105  
 20 04302012 3,061,138.11 20121605  
 56 06042012 3,061,138.11 20122105  
 58 07092012 3,061,138.11 20122605  
 24 11192012 3,061,138.11 20124505  
 26 11262012 3,061,138.11 20124605

Employee #7937520282 Page 006 of 006 PAGE 001

INTERNAL REVENUE SERVICE  
FACSIMILE FEDERAL TAX LIEN DOCUMENT

Lien Recorded : 12/04/2012 14:02PM  
Recording Number: 3919477  
UCC Number :  
Liber :  
Page :

ea: SMALL BUSINESS/SELF EMPLOYED #4  
en Unit Phone: (800) 913-6050

IRS Serial Number: 906428112

This Lien Has Been Filed in Accordance with  
Internal Revenue Regulation 301.6323(f)-1.

me of Taxpayer :  
DANIEL L BERGLUND

idence :  
6758 PINE ARBOR BLVD  
COTTAGE GROVE, MN 55016-4570

With respect to each assessment below, unless notice of lien  
is refiled by the date in column(e), this notice shall constitute  
the certificate of release of lien as defined in IRC 6325(a).

Form a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
040	12/31/2007	XXX-XX-6722	03/26/2012	04/25/2022	3061138.11

Filed at: COUNTY RECORDER  
WASHINGTON E  
STILLWATER, MN 55082

Total \$ 3061138.11

This notice was prepared and executed at CHICAGO, IL  
on this, the 15th day of November, 2012.

Authorizing Official:  
TIM SMITH

Title:  
REVENUE OFFICER

24-01-1428

Name and Address of Sender

Department of the Treasury  
Internal Revenue Service  
PO Box 12267 Stop 8201G  
Covington KY 40312

Check type of mail or service: November 8, 2011

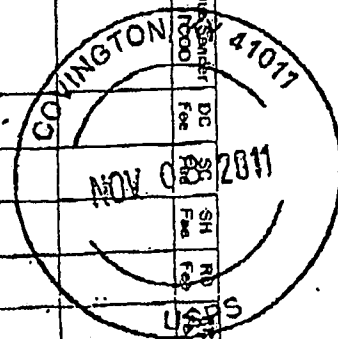
☒ Certified ☐ Registered Delivery (International)  
☐ COD ☐ Registered  
☐ Delivery Confirmation ☐ Return Receipt for Merchandise  
☐ Express Mail ☐ Signature Confirmation  
☐ Insured

Affix Stamp Here  
(If used as a  
certificate of mailing,  
or for additional  
copies of this bill)  
Postmark and  
Date of Receipt

Article Number	Address (Name, Street, City, State, & ZIP Code)	Postage	Fees	Handling Charge	Actual Value if Registered	Insured Value	DC Fee	SH Fee	RD Fee	PS Fee
1. Notices of deficiency, for the years indicated, have been sent to the following taxpayers.										
2. [REDACTED]	[REDACTED]									
3. [REDACTED]	[REDACTED]									
4. 7006 0100 0003 0926 6659 2007	DANIEL L BERGLUND 6758 PINE ARBOR BLVD COTTAGE GROVE, MN 55016									
5. [REDACTED]	[REDACTED]									
6. [REDACTED]	[REDACTED]									
7. [REDACTED]	[REDACTED]									
8. [REDACTED]	[REDACTED]									
Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)	See Privacy Act Statement on Reverse							

PS Form 3877, February 2002 (Page 1 of 2)

Complete by Typewriter, Ink, or Ballpoint Pen



**IRS** Department of the Treasury  
Internal Revenue Service

Cincinnati, OH 45999-0040

7006 0100 0003 0926 6659

DANIEL L BERGLUND  
6758 PINE ARBOR BLVD  
COTTAGE GROVE, MN 55016

---

Cut here and return this portion with your correspondence.

Notice Number: LTR3219  
Notice Date: November 8, 2011

471706722 30 200712

INTERNAL REVENUE SERVICE  
EXAM STOP 8201G  
201 W RIVERCENTER BLVD  
COVINGTON, KY 41011-0040

DANIEL L BERGLUND  
6758 PINE ARBOR BLVD  
COTTAGE GROVE, MN 55016



**IRS** Department of the Treasury  
Internal Revenue Service

Cincinnati, OH 45999-0040

7006 0100 0003 0926 6659

DANIEL L BERGLUND  
6758 PINE ARBOR BLVD  
COTTAGE GROVE, MN 55016

Letter Number: 3219(SC/CG)

Letter Date: November 8, 2011

Taxpayer Identification Number:

471-70-6722

Tax Form: 1040

Tax Year Ended and Deficiency

December 31, 2007 \$1,769,718.00

Contact Person:

Tax Examiner

Contact Telephone Number:

1-866-897-0161  
(TOLL FREE NUMBER)

Hours to Call:

7:00 AM to 7:00 PM

Last Date to Petition Tax Court:

February 6, 2012

Penalties/Additions to Tax

IRC Section 6651(a)(2)	\$362,792.19
IRC Section 6651(a)(1)	\$398,186.55
IRC Section 6654(a)	\$80,544.73

Dear Taxpayer:

We have determined that there is a deficiency (increase) in your income tax as shown above. This letter is your NOTICE OF DEFICIENCY as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have until the **Last Date to Petition Tax Court** (90 days from the date of this letter or 150 days if the letter is addressed to you outside the United States) to file a petition with the United States Tax Court for a redetermination of the amount of your tax. You can get a petition form and the rules for filing a petition from the Tax Court. You should file the petition with **United States Tax Court, 400 Second Street NW, Washington D.C. 20217**. Attach a copy of this letter to the petition.

The time in which you must file a petition with the court (90 days or 150 days as the case may be) is fixed by law and the Court cannot consider your case if the petition is filed late. As required by law, separate notices are sent to spouses. If this letter is addressed to both a husband and wife, and both want to petition the Tax Court, both must sign the petition or each must file a separate, signed petition.

The Tax Court has a simplified procedure for small tax cases when the amount in dispute is \$50,000 or less for any one tax year. You can also get information about this procedure, as well as a petition form you can use, by writing to the Clerk of the United States Tax Court at 400 Second Street, NW, Washington, D.C. 20217. You should write promptly if you intend to file a petition with the Tax Court.

If you decide *not* to file a petition with the Tax Court, please sign and return the enclosed waiver form to us. This will permit us to assess the deficiency quickly and will limit the accumulation of interest. We've enclosed an envelope you can use. If you decide not to sign and return the waiver and you do not petition the Tax Court, the law requires us to assess and bill you for the deficiency after 90 days from the date of this letter (150 days if this letter is addressed to you outside the United States).

If you have questions about this letter, you may call the Contact Person whose name and telephone number are shown in the heading of this letter. If this number is outside your local calling area, there will be a long distance charge to you. If you prefer, you can call the Internal Revenue Service (IRS) telephone number in your local directory. An IRS employee there may be able to help you, but the office at the address shown on this letter is most familiar with your case.

When you send information we requested or if you write to us about this letter, please provide a telephone number and the best time to call you if we need more information. Please attach this letter to your correspondence to help us identify your case. Keep the copy for your records.

The person whose name and telephone number are shown in the heading of this letter can access your tax information and help get you answers. You also have the right to contact the Taxpayer Advocate. You can call 1-877-777-4778 and ask for Taxpayer Advocate Assistance. Or you can contact the Taxpayer Advocate for the IRS Office that issued this Notice of Deficiency by calling (859) 669-5316 or writing to:

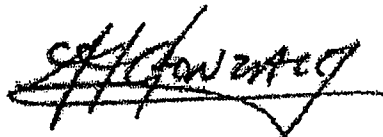
CINCINNATI SERVICE CENTER  
TAXPAYER ADVOCATE  
P.O. BOX 1235, STOP 11  
CINCINNATI, OH 45201

Taxpayer Advocate assistance is not a substitute for established procedures such as the formal appeals process. The Taxpayer Advocate is not able to reverse legally correct tax determinations, nor extend the time fixed by law that you have to file a petition in the United States Tax Court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling.

Thank you for your cooperation.

Sincerely yours,

Commissioner  
By



A. F. Gonzalez  
Field Director, Compliance Services  
Cincinnati Service Center

Enclosures:  
Copy of this letter  
Waiver  
Envelope

<b>Form 5564</b> (Rev. June 1992)	Department of the Treasury - Internal Revenue Service <b>NOTICE OF DEFICIENCY - WAIVER</b>	Symbols CINCINNATI 8201G
Name and Address of Taxpayer(s) DANIEL L BERGLUND 6758 PINE ARBOR BLVD COTTAGE GROVE, MN 55016		NOVEMBER 8, 2011 471-70-6722

Kind of Tax  INDIVIDUAL INCOME	<input type="checkbox"/> Copy to Authorized Representative		
Tax Year Ended DECEMBER 31, 2007	<b>DEFICIENCY</b>		
	Increase in Tax	Penalties	
	\$1,769,718.00		\$841,523.47
	IRC Section 6651(a)(2)		\$362,792.19
	IRC Section 6651(a)(1)		\$398,186.55
	IRC Section 6654(a)		\$80,544.73

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest. Also, I waive the requirement under section 6532(a)(1) of the Internal Revenue Code that a notice of claim disallowance be sent to me by certified mail for any overpayment shown on the attached report.

I understand that the filing of this waiver is irrevocable and it will begin the 2-year period for filing suit for refund of the claims disallowed as if the notice of disallowance had been sent by certified or registered mail.

<b>Signature</b>			Date
			Date
	By	Title	Date

**Note:** If you consent to the assessment of the deficiencies shown in the waiver, please sign and return this form to limit the interest charge and expedite our bill to you. Please do not sign and return any prior notices you may have received. Your consent signature is required on this waiver, even if fully paid.

Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are so entitled; nor prevent us from later determining, if necessary, that you owe additional tax; nor extend the time provided by law for such action.

If you later file a claim and the Service disallows it, you may file suit for refund in a District Court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

**Who Must Sign:** If you filed jointly, both you and your spouse must sign. Your attorney or agent may sign this waiver provided that action is specifically authorized by a power of attorney which, if not previously filed, must accompany this form.

If this waiver is signed by a person acting in a fiduciary capacity (for example, an executor, administrator, or a trustee), Form 56, Notice Concerning Fiduciary Relationship, should, unless previously filed, accompany this form.

**If you agree, please sign and return this form; keep one copy for your records**

FORM 5564 (Rev. 6-92)

Form **4549**  
(Rev. May 2008)Department of the Treasury-Internal Revenue Service  
**Income Tax Examination Changes**Page 1 of 2

Name and Address of Taxpayer

DANIEL L BERGLUND  
6758 PINE ARBOR BLVD  
COTTAGE GROVE MN 55016

Taxpayer Identification Number

471-70-6722

Return Form No.:

1040

Person with whom  
examination  
changes were  
discussed.

Name and Title:

	Period End 12/31/2007	Period End	Period End
<b>1. Adjustments to Income</b>			
a. Bartering	30,775.00		
b. Stocks and Bonds	5,071,408.00		
c. Ordinary Dividends	23.00		
d. Interest	320.00		
e. Standard Deduction	(5,350.00)		
f. Exemptions	(1,133.00)		
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	5,096,043.00		
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	0.00		
<b>4. Corrected Taxable Income</b>	5,096,043.00		
Tax Method	TAX RATE		
Filing Status	Married Separate		
<b>5. Tax</b>	1,769,718.00		
<b>6. Additional Taxes / Alternative Minimum Tax</b>			
<b>7. Corrected Tax Liability</b>	1,769,718.00		
<b>8. Less</b>			
a.			
<b>Credits</b>			
b.			
c.			
d.			
<b>9. Balance (Line 7 less Lines 8a through 8d)</b>	1,769,718.00		
<b>10. Plus</b>			
a.			
Other			
b.			
Taxes			
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a through 10d)</b>	1,769,718.00		
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	0.00		
<b>13. Adjustments to:</b>			
a.			
b.			
c.			
<b>14. Deficiency-Increase in Tax or (Overassessment-Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	1,769,718.00		
<b>15. Adjustments to Prepayment Credits - Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	1,769,718.00		

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest income) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Form <b>4549</b> (Rev. May 2008)	Department of the Treasury-Internal Revenue Service <b>Income Tax Examination Changes</b>		Page <u>2</u> of <u>2</u>
Name of Taxpayer DANIEL L BERGLUND	Taxpayer Identification Number 471-70-6722		Return Form No.: 1040
	Period End 12/31/2007	Period End	Period End
<b>17. Penalties/ Code Sections</b>			
a. Delq-IRC 6651(a) (2)	362,792.19		
b. Delq-IRC 6651(a) (1)	398,186.55		
c. Estimated Tax-IRC 6654	80,544.73		
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	841,523.47		
Underpayment attributable to negligence: (1981-1987) <i>A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.</i>			
Underpayment attributable to fraud: (1981-1987) <i>A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.</i>			
Underpayment attributable to Tax Motivated Transactions (TMT). The interest will accrue and be assessed at 120% of the underpayment rate in accordance with IRC §6621(c)	0.00		
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	1,769,718.00		
b. Penalties (Line 18) - computed to 08/26/2011	841,523.47		
c. Interest (IRC § 6601) - computed to 09/17/2011	347,300.60		
d. TMT Interest - computed to 09/17/2011 (on TMT underpayment)	0.00		
e. Amount due or (refund) - (sum of Lines a, b, c and d)	2,958,542.07		

Other Information:

Examiner's Signature:	Employee ID:	Office:	Date:
Tax Examiner	1000130055	Cincinnati	08/26/2011

Consent to Assessment and Collection- I do not wish to exercise my appeal rights with the Internal Revenue Service or to contest in the United States Tax Court the findings in this report. Therefore, I give my consent to the immediate assessment and collection of any increase in tax and penalties, and accept any decrease in tax and penalties shown above, plus additional interest as provided by law. It is understood that this report is subject to acceptance by the Area Director, Area Manager, Specialty Tax Program Chief, or Director of Field Operations.

**PLEASE NOTE: If a joint return was filed, BOTH taxpayers must sign**

Signature of Taxpayer	Date:	Signature of Taxpayer	Date:
By:		Title:	Date:

Catalog Number 23105A www.irs.gov Form 4549 (Rev. 5-2008)

Name of Taxpayer: DANIEL L BERGLUND  
 Identification Number: 471-70-6722

Total

08/26/2011  
 12.20.00

**2007 - Form 6251 - Alternative Minimum Tax Computation**

	5,102,526.00
1. If filing Schedule A, enter taxable income before exemptions; otherwise, enter adjusted gross income	0.00
2. Total adjustment and preferences (excluding any NOL deduction)	0.00
3. Net operating loss deduction	0.00
4. Alternative tax net operating loss deduction	5,135,651.00
5. Alternative minimum taxable income (combine lines 1 thru 4)	0.00
6. Exemption amount	5,135,651.00
7. Subtract line 6 from line 5 (if zero or less, enter zero)	1,436,232.00
8. If capital gains are reported, see line 20 from continuation page (If FEIT worksheet for AMT is used, enter amount from line 6 of that worksheet instead)	
All others:	
If line 7 is \$175,000 or less (\$87,500 if MFS) multiply line 7 by 26%. Otherwise, multiply line 7 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	0.00
9. Alternative minimum tax foreign tax credit	1,436,232.00
10. Tentative minimum tax (line 8 less line 9)	1,769,718.00
11. Regular tax before credits (if Schedule J was used to figure tax, use the refigured amounts for lines 44 and 47 of Form 1040 without using Schedule J)	0.00
12. Alternative minimum tax	

**Exemption Worksheet (line 6 above)**

	33,125.00
A. Exemption amount based on filing status	5,135,651.00
B. Alternative minimum taxable income	75,000.00
C. Enter \$112,500 (\$150,000 if married filing jointly or qualifying widow(er), \$75,000 if married filing separately)	5,060,651.00
D. Subtract line C from line B	1,265,163.00
E. Multiply line D by 25%	0.00
F. Subtract line E from line A (if zero or less, enter zero)	

Name of Taxpayer: DANIEL L BERGLUND  
 Identification Number: 471-70-6722

Total

08/26/2011

12.20.00

**2007 - Form 6251 - Continuation, Tax Computation Using Maximum Capital Gain Rates**

	5,135,651.00
1. Amount from Form 6251 report, line 7 (If FEIT worksheet for AMT was used, enter amount from line 3 of that worksheet instead)	0.00
2. Amount from line 6 Qualified Dividends and Capital Gain Tax Worksheet or line 13 Schedule D Tax Worksheet (refigured for AMT)	0.00
3. Amount from Schedule D line 19 (refigured for AMT)	0.00
4. Amount from line 2 if no Schedule D worksheet; otherwise, the smaller of the sum of line 2 and line 3 or Schedule D worksheet line 10 (refigured for AMT)	0.00
5. Smaller of line 1 or line 4	5,135,651.00
6. Subtract line 5 from line 1	1,436,232.00
7. If line 6 is \$175,000 or less (\$87,500 if MFS) multiply line 6 by 26%; otherwise, multiply line 6 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	31,850.00
8. Enter: \$63,700 if filing married filing joint or qualified widow(er) \$31,850 if filing single or married filing separate \$42,650 if filing head of household	0.00
9. Amount from line 7 Qualified Dividends and Capital Gain Tax Worksheet or line 14 Schedule D Tax Worksheet	31,850.00
10. Subtract line 9 from line 8 (if zero or less, enter zero)	0.00
11. Smaller of line 1 or line 2	0.00
12. Smaller of line 10 or line 11	0.00
13. Multiply line 12 by 5%	0.00
14. Subtract line 12 from line 11	0.00
15. Multiply line 14 by 15%	0.00
16. Subtract line 11 from line 5	0.00
17. Multiply line 16 by 25%	1,436,232.00
18. Total of lines 7, 13, 15 and 17	1,436,232.00
19. If line 1 is \$175,000 or less (\$87,500 if MFS) multiply line 1 by 26%; otherwise, multiply line 1 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	1,436,232.00
20. Smaller of line 18 or line 19. Enter here and on line 8 of Form 6251 report	



Name of Taxpayer: DANIEL L BERGLUND		08/26/2011
Identification Number: 471-70-6722	Total	12.20.00

### EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

#### 2007 - DELINQUENCY PENALTY

		0.00
1. Delinquency penalty abated		
2. Date return due	04/15/2008	
3. Date return filed	08/26/2011	
4. Failure to File penalty rate	0.225	
5. Failure to Pay penalty rate	0.205	
6. Total corrected tax liability		1,769,718.00
7. Allowable payments on or prior to due date of return		0.00
8. Net Amount Due (line 6 less line 7)		1,769,718.00
9. Failure to File Penalty - line 8 multiplied by line 4		398,186.55
10. Minimum penalty if over 60 days delinquent		100.00
11. Failure to File Penalty - Greater of line 9 or line 10		398,186.55
12. Previously assessed/previously agreed Failure to File Penalty		0.00
13. Net Failure to File Penalty - line 11 less line 12		398,186.55
14. Failure to Pay Penalty - line 8 multiplied by line 5		362,792.19
15. Previously assessed/previously agreed Failure to Pay Penalty		0.00
16. Net Failure to Pay Penalty - line 14 less line 15 *		362,792.19
17. Total Delinquency Penalty - Sum of line 13 and 16		760,978.74

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.



08/26/2011

12.20.00

Name of Taxpayer: DANIEL L BERGLUND  
 Identification Number: 471-70-6722

Total

## 2007 - EXPLANATION OF THE ESTIMATED TAX PENALTY

Since you did not pay sufficient estimated tax, addition to the tax is charged as shown below, in accordance with Section 6654(a) of the Internal Revenue Code.

				1,769,718.00
1. Total corrected tax liability, Form 4549, line 11 (Tax Per Return, if a return was filed)				0.00
2. Refundable Credits				0.00
3. Withholding taxes				1,769,718.00
4. Line 1 less sum of lines 2 & 3 (if less than \$1000, estimated penalty does not apply)				1,592,746.20
5. 90% of the sum of line 1 less line 2				0.00
6. Prior year tax liability (110% of tax if AGI was more than \$150,000. or if MFS more than \$75,000.)				1,592,746.20
7. The smaller of line 5 or 6 (as adjusted)				
8. Payment Due Date	Apr 15, 2007	Jun 15, 2007	Sep 15, 2007	Jan 15, 2008
9. Payment Required	398,186.55	398,186.55	398,186.55	398,186.55
10. Payments & Credits	0.00	0.00	0.00	0.00
11. Overpayment from line 17		0.00	0.00	0.00
12. Total of lines 10 & 11		0.00	0.00	0.00
13. Previous Qtr Underpayment		398,186.55	796,373.10	1,194,559.65
14. Line 12 less line 13	0.00	0.00	0.00	0.00
15. Remaining Underpayment		398,186.55	796,373.10	
16. Underpayment	398,186.55	398,186.55	398,186.55	398,186.55
17. Overpayment	0.00	0.00	0.00	0.00
18. Penalty	30,763.71	25,440.01	17,410.82	6,930.19
19. Previously Assessed/Previously Agreed Estimated Tax Penalty				80,544.73
20. Estimated Tax Penalty				

Name of Taxpayer: DANIEL L BERGLUND		08/26/2011
Identification Number: 471-70-6722	Total	12.20.00

## 2007 - PERSONAL EXEMPTION WORKSHEET

1. Multiply \$3,400 by the total number of exemptions claimed on Form 1040, line 6d	3,400.00
2. Adjusted gross income	5,102,526.00
3. Limitation based on filing status	117,300.00
NOTE: If line 2 is not greater than line 3, enter amount from line 1 on line 10 below	
4. Subtract line 3 from line 2	4,985,226.00
5. If line 4 is more than \$122,500 (\$61,250 if married filing separately), multiply \$ 1,133 by the total number of exemptions claimed on Form 1040, line 6d and enter this amount on line 10 below	1,133.00
6. Divide line 4 by \$2,500 (\$1,250 if married filing separately)	0.00
(If result is not a whole number, increase to next whole number)	
7. Multiply line 6 by 2% and enter the result as a decimal	0.00
8. Multiply line 1 by line 7	0.00
9. Divide line 8 by 1.5	1,133.00
10. Deduction for exemptions (subtract line 9 from line 1)	

Name Of Taxpayer: DANIEL L BERGLUND  
 Identification Number: 471-70-6722

Total

08/26/2011

12.20.00

# 2007 TAX YEAR INTEREST COMPUTATION

Interest computed to 09/17/2011

Total Tax Deficiency \$1,769,718.00

Plus Penalties\* \$398,186.55  
 Failure to File - IRC 6651 \$.00  
 Accuracy Related Penalty - IRC 6662 \$.00  
 Accuracy Related Penalty - IRC 6662A \$.00  
 Civil Fraud - IRC 6663 \$.00  
 Manually Computed Penalty \$.00

Total Penalties Subject to Interest \$398,186.55  
 \$2,167,904.55

Tax Deficiency and Penalties Subject to Interest

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2008--06/30/2008	76	6%	\$27,176.68
Compound	07/01/2008--09/30/2008	92	5%	\$27,760.64
Compound	10/01/2008--12/31/2008	92	6%	\$33,776.12
Compound	01/01/2009--03/31/2009	90	5%	\$27,991.60
Compound	04/01/2009--12/31/2009	275	4%	\$69,895.35
Compound	01/01/2010--12/31/2010	365	4%	\$96,083.80
Compound	01/01/2011--03/31/2011	90	3%	\$18,194.11
Compound	04/01/2011--09/17/2011	170	4%	\$46,422.30

Total Interest

\$347,300.60

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer <b>DANIEL L BERGLUND</b>	Taxpayer Identification Number <b>471-70-6722</b>	Year/Period Ended <b>2007</b>	

**Exemptions-Self**

Tax Period	Per Return	Per Exam	Adjustment
2007	0	1	-1

Since you failed to file your tax return for the tax shown in this report, we have filed for you as authorized by Internal Revenue Code Section 6020(b). The income, filing status, deductions, and credits shown in this report are based on information available to us. The proposed adjustments may not reflect certain deductions, expenses, exemptions, credits, and other tax benefits, such as cost basis of capital items, due to your failure to file your return and provide supporting information. We used Information Return Documents filed by payers as reported under your Social Security Number to determine your income. If you need an itemized list of payers and amounts of the income reported to the Internal Revenue Service, you may request this information by calling the toll-free number or writing to the address shown on the accompanying letter.

## Examination Workpapers

Taxpayer's name, address, SSN 471-70-6722 DANIEL L BERGLUND  6758 PINE ARBOR BLVD COTTAGE GROVE, MN, 55016			Date 08/18/2011	Year(s) 2007
Examiner Brown, C. GJFJB			Grade 07	
Taxpayer(s) Home Phone			Work Phone	
Reviewer				

A.	<b>Initial Interview</b>  1. Examination technique: <input type="checkbox"/> Undeliverable mail <input type="checkbox"/> Correspondence <input type="checkbox"/> Interview with: <input type="checkbox"/> No Show  2. Receipt of Publication 1 <input type="checkbox"/> 3. Appeal rights and Privacy Act explained <input type="checkbox"/> 4. Innocent spouse (Pub. 971) <input type="checkbox"/> 5. Continue on Form 4700-A, B or C	Representative – Power of Attorney <input type="checkbox"/> Yes <input type="checkbox"/> No Name  Closed No Change Issue: <input type="checkbox"/> Letter 590 <input type="checkbox"/> Letter 1156 <input type="checkbox"/> Other  B. Examiner
----	--	--

C.	<b>EQMS Auditing Standards (Rev. 5/95) – IRM Exhibit 4910 -1</b> 1. Consideration of Large, Unusual, or Questionable items 2. Probes for Unreported Income 3. Required Filing Checks 4. Examination Depth and Records Examined 5. Continue on Form 4700-A, B or C  6. Penalties Properly Considered 7. Workpapers Support Conclusions 8. Report Writing Procedures Followed 9. Time Span/Time Charged  Was consideration given to all applicable auditing standards? YES If no, indicate the standard(s) not given consideration, and the reasons why consideration was not given:
----	--

Service Center Tax Examiners – Refer to Center Examination Quality Measurement System (CEQMS) Auditing Standards in IRM Exhibit 4010-2					
D.	<table style="width:100%;"> <tr> <th style="text-align: left;">Examination Reminders</th> <th style="text-align: left;">Case Processing Reminders</th> </tr> <tr> <td style="vertical-align: top;">           1. Proforma Worksheets utilized where applicable            2. Alternative minimum tax            3. Inspection of prior and subsequent year return, IRM 4215            4. Probe for unreported deductions and credits            5. Scope of Examination, IRM 4253.2            6. Automatic adjustments resulting from AGI change(s)            7. "Burned Out" Tax Shelters – IRM 4236(13)            8. Amounts claimed for See/Special Fuels – IRC 6426/6421            9. Health Care Continuation Coverage Under COBRA-IRC 49908         </td> <td style="vertical-align: top;">           1. Claim Case – Forms 2297 and 3363            2. Information Reports (IRM 4219) – Form 5346            3. FICA, Self-Employment or Tip Income Adjustments                Forms 885-E, 885-F, and 885T            4. Inequities, Abuses, Loopholes – Form 3558            5. Inadequate Records Notices (IRM 4271)            6. Special Handling Notice 3198         </td> </tr> </table>	Examination Reminders	Case Processing Reminders	1. Proforma Worksheets utilized where applicable 2. Alternative minimum tax 3. Inspection of prior and subsequent year return, IRM 4215 4. Probe for unreported deductions and credits 5. Scope of Examination, IRM 4253.2 6. Automatic adjustments resulting from AGI change(s) 7. "Burned Out" Tax Shelters – IRM 4236(13) 8. Amounts claimed for See/Special Fuels – IRC 6426/6421 9. Health Care Continuation Coverage Under COBRA-IRC 49908	1. Claim Case – Forms 2297 and 3363 2. Information Reports (IRM 4219) – Form 5346 3. FICA, Self-Employment or Tip Income Adjustments Forms 885-E, 885-F, and 885T 4. Inequities, Abuses, Loopholes – Form 3558 5. Inadequate Records Notices (IRM 4271) 6. Special Handling Notice 3198
Examination Reminders	Case Processing Reminders				
1. Proforma Worksheets utilized where applicable 2. Alternative minimum tax 3. Inspection of prior and subsequent year return, IRM 4215 4. Probe for unreported deductions and credits 5. Scope of Examination, IRM 4253.2 6. Automatic adjustments resulting from AGI change(s) 7. "Burned Out" Tax Shelters – IRM 4236(13) 8. Amounts claimed for See/Special Fuels – IRC 6426/6421 9. Health Care Continuation Coverage Under COBRA-IRC 49908	1. Claim Case – Forms 2297 and 3363 2. Information Reports (IRM 4219) – Form 5346 3. FICA, Self-Employment or Tip Income Adjustments Forms 885-E, 885-F, and 885T 4. Inequities, Abuses, Loopholes – Form 3558 5. Inadequate Records Notices (IRM 4271) 6. Special Handling Notice 3198				

<b>Required Filing Checks – IRM 4034</b>  1. All Required Returns (of THIS T/P) .. Prior .. Subsequent  .. Compliance Items: Information Returns Questionable W-4's Forms 8300 Any Other Returns  2. All Related Returns (of ANOTHER T/P)	CHECK COMPLETED <table style="width:100%;"> <tr> <th>YES</th> <th>NO</th> <th>N/A</th> </tr> </table>	YES	NO	N/A	COMMENT IN: <table style="width:100%;"> <tr> <th>F4700 SUPPLEMENT</th> <th>F4700 BUSINESS SUPPLEMENT</th> </tr> </table>	F4700 SUPPLEMENT	F4700 BUSINESS SUPPLEMENT
YES	NO	N/A					
F4700 SUPPLEMENT	F4700 BUSINESS SUPPLEMENT						

## Continuation of Examination Workpapers

DANIEL L BERGLUND  
471-70-6722

(Items to be considered, explored, verified)	Tax Period	Per Return	Corrected	Adjustment	WP Index
--	------------	------------	-----------	------------	----------

<b>A</b>	<b>Administrative</b>				
<b>B</b>	<b>Pre-Audit / Interview / History</b>				

Pre-Audit:  
8/18/11 CBrown GJFJB T104 PC 277 SFR FCR

Research: INOLES AMDISA ENMOD CFINK IMFOLI IRPTR

Telephone Attempt: No phone number provided; none required. FCR

Conclusions:  
8/18/11 CBrown GJFJB T104 TP did not file a return. The deficiency is greater than the tolerance of \$500,000 and requires a Mandatory Review by T103. After review, the case will be return to T104 for mailing of L1862 and Report 4549 to TP.

<b>C</b>	<b>Required Filing Checks</b>				
<b>D</b>	<b>Penalties</b>				

Pre-Audit:  
8/18/11 CBrown GJFJB T104

Failure to File - does apply under IRC 5561 (a)(1) since TP did not file a timely return.

Failure to Pay - does apply under IRC 5561(a)(2) since TP did not pay his taxes timely.

Estimated Tax - does apply under IRC 6654 due to an underpayment of tax liability shown and TP did not make timely estimated tax payments.

The Accuracy Related Penalty IRC 6662(c) & IRC 6662(d) does not apply on SFR at this time.

<b>E</b>	<b>Filing Status</b>	200712			Married filing separate
----------	----------------------	--------	--	--	-------------------------

Conclusions:  
8/18/11 CBrown GJFJB T104 Based on research this report is being prepared using married filing separate status.

<b>F</b>	<b>Exemptions-Self</b>	200712	0	1	(1)
----------	------------------------	--------	---	---	-----

Conclusions:  
8/18/11 CBrown GJFJB T104 TP is eligible for an exemption for himself.

<b>G</b>	<b>Interest</b>	200712	\$0.00	\$320.00	\$320.00
----------	-----------------	--------	--------	----------	----------

Conclusions:  
8/18/11 CBrown GJFJB T104 We are pursuing N/R Income.

<b>H</b>	<b>Ordinary Dividends</b>	200712	\$0.00	\$23.00	\$23.00
----------	---------------------------	--------	--------	---------	---------

Conclusions:  
8/18/11 CBrown GJFJB T104 We are pursuing N/R Income.

<b>I</b>	<b>Stocks and Bonds</b>	200712	\$0.00	\$5,071,408.00	\$5,071,408.00
----------	-------------------------	--------	--------	----------------	----------------

Conclusions:  
8/18/11 CBrown GJFJB T104 We are pursuing N/R income.

Department of the Treasury - Internal Revenue service

DANIEL L BERGLUND

471-70-6722

## Continuation of Examination Workpapers

(Items to be considered, explored, verified)	Tax Period	Per Return	Corrected	Adjustment	WP Index
--	---------------	------------	-----------	------------	-------------

J	Bartering	200712	\$0.00	\$30,775.00	\$30,775.00
---	-----------	--------	--------	-------------	-------------

## Conclusions:

8/18/11 CBrown GJFJB T104 We are pursuing N/R income through Bartering of commodity of Gold..

ZZZ	Statutory-Standard Deduction	200712	\$0.00	\$5,350.00	(\$5,350.00)
-----	------------------------------	--------	--------	------------	--------------

171-70-6722

Berg (2007)

04/EE/11

## Case History Report

Examining officer: ROLLINS, BETSY

Tax period(s): 200712

Page number: 1

Taxpayer: BERGLUND, DANIEL L

Address: 6758 PINE ARBOR BLVD  
COTTAGE GROVE MN 55016

Telephone:

Fax number:

Date:	Location:	Action:	Tax Period(s)	Exam Time:	Claim Time:	Next Action Date:
08/18/2011	Other	L1862-MAND Remarks: 8/18/11 Cbrown GJFJB T104 FCR TP's deficiency is greater than tolerance of \$500,000 and requires Mandatory Review. Send to T103 for review. Return to T104 after review for preparation of mailing to TP of L1862, Report 4549 and Pub 3498A. MAND.	200712	1.0	0.0	
08/24/2011	Campus / Service Center	Mandatory review complete. OK Remarks: This note is created by the user 13811 from service center 17 on 08/24/2011	200712	0.0	0.0	
08/25/2011	Other	Mandatory review complete. OK to issue report. L1862 Remarks: 8/26/11 Cbrown GJFJB T104 ICL; returned from Mand Review. Send TP L1862 (2), Report 4549 (2), and Pub3498A. Update Stat to 22. If N/R, issue Stat. Batch.	200712	0.4	0.0	
10/24/2011	Other	Letter-90 day	200712	0.0	0.0	02/06/2012
02/28/2012	Other	DEFAULT Remarks: CET 0846 T201 - DC 10 CLOSED ON DEFAULT D/AC	200712	0.2	0.0	

Total time:	1.6	0.0
Total non-technical time:	0.0	0.0



# Case History Report

Examining officer: Brown, C. GJFJB  
Taxpayer: BERGLUND,DANIEL L  
Address: 6758 PINE ARBOR BLVD  
COTTAGE GROVE MN 55016

Tax period(s): 200712 Page number: 1

Telephone:  
Fax number:

Date:	Location:	Action:	Tax Period(s)	Exam Time:	Claim Time:	Next Action Date:
08/18/2011	Other	L1862-MAND Remarks: 8/18/11 Cbrown GJFJB T104 FCR TP's deficiency is greater than tolerance of \$500,000 and requires Mandatory Review. Send to T103 for review. Return to T104 after review for preparation of mailing to TP of L1862, Report 4549 and Pub 3498A. MAND.	200712	1.0	0.0	
08/24/2011	Campus / Service Center	Mandatory review complete. OK Remarks: This note is created by the user 13811 from service center 17 on 08/24/2011	200712	0.0	0.0	
08/25/2011	Other	Mandatory review complete. OK to issue report. L1862 Remarks: 8/26/11 Cbrown GJFJB T104 ICL; returned from Mand Review. Send TP L1862 (2), Report 4549 (2), and Pub3498A. Update Stat to 22. If N/R, issue Stat. Batch.	200712	0.4	0.0	
			Total time:	1.4	0.0	
			Total non-technical time:	0.0	0.0	

26 2011 L1862 LTR Sent- 8/27

19-11 7205 KH ID Return to BO

10-20-11 kw

OCT 21 2011 sg St St marks manual over Mil

Stat Letter sent to TP

Letter Date: 11/8/11

PL 10/24/11

26/11 cc Manual Stat for letter date 11/8/11 reviewed dktos

## Case History Report

Examining officer: Brown, C. GJFJB

Tax period(s): 200712

Page number: 1

Taxpayer: BERGLUND, DANIEL L

Address: 6758 PINE ARBOR BLVD  
COTTAGE GROVE MN 55016

Telephone:

Fax number:

Date:	Location:	Action:	Tax Period(s)	Exam Time:	Claim Time:	Next Action Date:
08/18/2011	Other	L1862-MAND	200712	1.0	0.0	

**Remarks:**

8/18/11 Cbrown GJFJB T104 FCR TP's deficiency is greater than tolerance of \$500,000 and requires Mandatory Review. Send to T103 for review. Return to T104 after review for preparation of mailing to TP of L1862, Report 4549 and Pub 3498A. MAND.

Total time:	1.0	0.0
Total non-technical time:	0.0	0.0

11/9/2011 L1862-MAND-8B

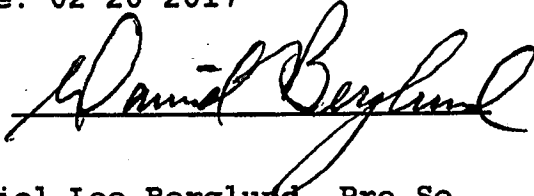
4/11 Mand Review complete - HBR

02-20-2017

# Plaintiff's Exhibit 1

Date: 02-20-2017

By:

A handwritten signature in black ink, appearing to read "Daniel Lee Berglund", written over a horizontal line.

Daniel Lee Berglund, Pro Se  
6758 Pine Arbor Blvd. S.  
Cottage Grove, MN 55016  
Telephone: (651) 739-3650